



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Kathy Blumenfeld, Secretary-designee

December 4, 2022

Michael Queensland
Chief Clerk, Wisconsin State Senate

Edward Blazel
Chief Clerk, Wisconsin State Assembly

Dear Chief Clerks' Queensland and Blazel:

This letter serves as the annual report on the Service Award Program administered by the Department of Administration, as required by s. 16.25 (6), Wis. Stats.

The State of Wisconsin created the Service Award Program (Program), formerly called the Length of Service Award Program, under 1999 Wisconsin Act 105. The Program establishes by rule a tax-deferred benefit program for volunteer fire fighters, emergency medical technicians, and first responders, the intent of which is to assist municipalities in recruiting and retaining volunteers.

This annual reporting period is the fifth period during which program participants were eligible for a two-to-one state match of municipal contributions up to the maximum state match rate described in s. 16.25 (3) (d), Wis. Stats. In FY2020-21, expenditure under the general purpose revenue (GPR) sum-sufficient appropriation account dedicated to this program, s. 20.505 (4) (er), Wis. Stats., *Service award program; state awards*, was subject to a statutory maximum of \$2,900,000, as previously specified under s. 20.505 (4) (er). Pursuant to the enactment of 2021 Wisconsin Act 58 and effective as of FY2021-22, the statutory payment maximum has been eliminated, thereby also eliminating the potential need for proration of future payments to program participants.

2017 Wisconsin Act 59 provided a one-time increase of the maximum state match rate at the time of \$343.77 to \$390.00 (a 13.5% increase) with the provision of a continued annual CPI adjustment, and a reduction in service years required for a participant to be fully vested in the program in order to receive a full contribution. It also provided for a reduction in service years and years-of-age required for partially vested contributions.

The maximum state match rate for the 2021 service year was \$420.54 per participant, up from \$414.90 for the 2020 service year. The maximum state match rate for the 2022 service year will be \$450.15 based on a CPI adjustment of 7.04% and will continue at a rate of \$2 of state match for every \$1 of municipal contribution.

For service year 2021, the Program matched \$2,668,442.86 in municipal contributions with \$2,619,547.10 of state funds. This consists of awards to 6,481 individual volunteer firefighters and emergency medical service personnel from 267 participating departments.

There are currently three vendors providing administrative services and investment plans under the Program. The vendors were selected in accordance with purchasing requirements specified in Wisconsin Statutes.

If you have any questions regarding the Service Award Program, please feel free to contact my office.

Sincerely,

DocuSigned by:

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Kathy Blumenfeld
Secretary-designee